

Declaration by the Management Board and the Supervisory Board of *aap* Implantate AG
to the recommendations of the
"Government Commission on the German Corporate Governance Code"
pursuant to § 161 AktG

Since issuing the last declaration of conformity pursuant to Section 161 AktG on December 12, 2022, *aap* Implantate AG has also complied or will continue to comply with all recommendations of the version of the German Corporate Governance Code dated April 28, 2022 ("**GCGC 2022**") published by the Federal Ministry of Justice in the official section of the Federal Gazette on June 27, 2022, with the exceptions listed below:

Sustainability-related objectives in the internal control and risk management system (A.3 GCGC 2022)

aap Implantate AG has established an internal control and risk management system, but so far without specific processes and systems for recording and processing sustainability-related data. Insofar as this data is relevant to the sustainability targets contained in *aap Implantate* AG's annually updated corporate planning, it is, however, recorded as part of operational management and evaluated to check whether the respective targets have been achieved. As this does not take place as part of the internal control and risk management system, a deviation from recommendation A.3 GCGC 2022 is declared as a precautionary measure.

Description of the internal control and risk management system in the management report, including a statement on its appropriateness and effectiveness (A.5 GCGC 2022)

A.5 GCGC 2022 recommends describing the key features of the entire internal control system and the risk management system in the management report and commenting on the appropriateness and effectiveness of these systems. In deviation from this, Section 289 (4) HGB requires that the key features of the internal control and risk management system be described in the management report solely with regard to the accounting process. An established practice has developed (also in implementation of DRS 20.K177 and DRS 20.K178) with regard to the content, scope and intensity of the required reporting of these disclosures, which are limited to the accounting process. With regard to the more extensive reporting required by A.5 GCGC 2022, this is still lacking, which significantly limits its comparability and thus ultimately its usefulness in decision-making. Against this background, it was decided not to include this additional information in the management report for the time being.

Age limit for members of the Management Board (B.5 GCGC 2022)

aap Implantate AG has not set an age limit for members of the Management Board and accordingly will not state it in the corporate governance declaration. Setting an age limit for Management Board members would restrict the Supervisory Board in its task of appointing the best-qualified candidate to the Management Board. In principle, the expertise of experienced candidates should also be available to the company. The Management Board and Supervisory Board do not consider it appropriate to set a very high limit, which would not restrict the selection of candidates, simply in order to comply with the Code's recommendations.

No formation of a nomination committee in the Supervisory Board (D.4 GCGC 2022)

The Supervisory Board of *aap* Implantate AG consists of three members. Due to the circumstances of the company and the small number of Supervisory Board members, no nomination committee is formed. The efficiency of the Supervisory Board's work is considered sufficient in view of the nomination of suitable candidates for the proposals to the Annual General Meeting for the election of Supervisory Board members in the existing organizational structure.

Training and further education measures (D.11 GCGC 2022)

In principle, the company supports the Supervisory Board members with their induction into office and the necessary training and development measures, but has neither established a formal procedure nor adopted guidelines in this regard. It is also unclear which requirements must be met in accordance with recommendation D.11 GCGC 2022 in order for the company's support for the induction, training and development of Supervisory Board members to be considered appropriate. As a precautionary measure, a deviation from recommendation D.11 GCGC 2022 is therefore declared.

Accounting (F.2 GCGC 2022)

Contrary to recommendation F.2 GCGC, the consolidated financial statements and the Group management report of *aap* Implantate AG for the financial year 2022 were not made publicly available within 90 days of the end of the financial year. This was due to the additional tasks in connection with ESEF tagging, which were applied for the first time. As a result, the publication of the consolidated financial statements and the Group management report was postponed to April 30, meaning that recommendation F.2 GCGC could not be complied with in the 2023 financial year.

Remuneration of the members of the Supervisory Board (G.17 GCGC 2022)

The remuneration of the Supervisory Board members does not specifically take into account the higher time expenditure of the Deputy Chairman of the Supervisory Board.

On June 1, 2022, the Annual General Meeting of *aap* Implantate AG resolved that the members of the Supervisory Board shall receive fixed annual remuneration of EUR 30,000.00 (in addition to reimbursement of their expenses) and that the Supervisory Board member who takes over as Chairman of the Supervisory Board shall receive fixed annual remuneration of EUR 50,000.00 (in addition to reimbursement of their expenses).

Berlin, December 12, 2023

For the Supervisory Board

Dr. med. Nathalie Krebs,
Chairman of the Supervisory Board

For the Executive Board

Rubino Di Girolamo,
Chairman of the Management Board / CEO